

ments in the United States. The drain set in again in 1805, the small silver pieces became so scarce that they could not be supplied by the bank in sufficient sums to meet the demands of manufacturers, and the government was compelled to resort to the coinage of nickel pieces. The Belgian delegates urged the adoption of the gold standard at the conference which resulted in the formation of the Latin Union, but consented to the convention finally adopted by the other powers.

The fall in the value of silver after 1867 dragged Belgium into new difficulties, against which the convention of the Latin Union afforded her no protection. The government was authorized by the law of December 18, 1873, to suspend the minting of silver five-franc pieces, which had been going on at the rate of 300,000 francs a day. The coinage of silver had already exceeded domestic needs, and great quantities drifted across the French frontier and found their way into the Bank of France. This circumstance was made the occasion of a demand at the conference of 1885 that the countries of the Union take back their national coins and pay for them in gold. The Belgian delegate, M. Pirmez, at first refused to consider any such proposition, declared that Belgium was being made the victim of the misfortunes of the Union, and absented himself from the sittings of the conference. He declared that the treaty of 1865 made no reference to any such process of liquidation ; that the acceptance of Belgian coins by French citizens had not been a part of the treaty, but a result of voluntary action ; and that the dissolution of the treaty would simply relieve public depositaries from further acceptance of foreign coins, without imposing any obligations upon their issuers to redeem them.¹ The fear that the collapse of the Latin Union would imperil the gold standard in Belgium finally prevailed, however, over other arguments, and Belgium consented to a basis of liquidation by which each country was to pay in gold for one-half of its five-franc pieces returned

¹ Ansiaux, 14.